

State of South Dakota

NINETY-FIRST SESSION LEGISLATIVE ASSEMBLY, 2016

483X0032

SENATE BILL NO. _____

Introduced by: _____

1 FOR AN ACT ENTITLED, An Act to revise the income criteria for determining if property is
2 classified as agricultural land for property tax purposes.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-6-31.3 be amended to read as follows:

5 10-6-31.3. For tax purposes, land is agricultural land if it meets two of the following three
6 criteria:

7 (1) ~~At least thirty-three and one-third percent of the total family gross income of the~~
8 ~~owner is derived~~ In three of the previous five years, the operator derived a gross
9 income from the pursuit of agriculture as defined in subdivision (2) of this section
10 ~~or it is a state-owned public shooting area or a state-owned game production area as~~
11 ~~identified in § 41-4-8 and it is owned and managed by the Department of Game, Fish~~
12 ~~and Parks~~ that is at least five percent of the assessed value of the bare land, excluding
13 any improvements. If there is a crop share arrangement, the gross income of both the
14 landlord and tenant shall be combined and used to meet this criteria;

15 (2) Its principal use is devoted to the raising and harvesting of crops or timber or fruit
16 trees, the rearing, feeding, and management of farm livestock, poultry, fish, or



nursery stock, the production of bees and apiary products, or horticulture, all for intended profit pursuant to subdivision (1) of this section. Agricultural real estate also includes woodland, wasteland, and pasture land, but only if the land is held and operated in conjunction with agricultural real estate as defined and it is under the same ownership; or

(3) It consists of not less than twenty acres of unplatted land or is a part of a contiguous ownership of not less than eighty acres of unplatted land. The same acreage specifications apply to platted land, excluding land platted as a subdivision, which is in an unincorporated area. However, the board of county commissioners may increase the minimum acre requirement up to one hundred sixty acres.

Section 2. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as follows:

Notwithstanding the provisions of § 10-6-31.3, any state-owned public shooting area or a state-owned game production area as identified pursuant to § 41-4-8 that is owned and managed by the Department of Game, Fish and Parks shall be assessed and taxed as agricultural land.